

Exhibit 361

(Filed Under Seal)

1
2 * H I G H L Y C O N F I D E N T I A L *

3 UNITED STATES DISTRICT COURT

4 SOUTHERN DISTRICT OF NEW YORK

5 _____
6 THE PEOPLE OF THE STATE OF NEW YORK, by
7 and through ERIC T. SCHNEIDERMAN, Attorney
8 General of the State of New York,
9 Plaintiff,

10 -against-

11 ACTAVIS, PLC and FOREST LABORATORIES, LLC,
12 Defendants.

13 Civil Action File No. 14-CV-7473
14 _____

15 November 7, 2014

16 9:39 a.m.

17 ** HIGHLY CONFIDENTIAL **

18 DEPOSITION of WILLIAM MEURY,
19 taken by Plaintiff, pursuant to Notice,
20 held at the offices of STATE OF NEW YORK
21 OFFICE OF THE ATTORNEY GENERAL, 120
22 Broadway, New York, New York before Wayne
23 Hock, a Notary Public of the State of New
24 York.
25

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22

1 W. Meury -- HIGHLY CONFIDENTIAL
2 scheme from plan to plan changes pretty
3 routinely, Namenda XR is on a tier two
4 position on most formularies, which is
5 comparable to Namenda IR.

6 Q. And how did you convince the
7 plans to do that?

8 A. When you approach any plan on
9 any new product, there's a three-step
10 process. The first step so to present all
11 the scientific data, and that's generally
12 done by a medical director or by a medical
13 science liaison or an ESA we refer to
14 them.

15 The next step is our regional
16 account managers will have a business
17 discussion with the health plan. As you
18 know, health plans demands discounts and
19 they can demand very, very steep
20 discounts, and in this case they did.

21 And then the final step is to
22 negotiate a contract and finalize the
23 contract. And the process for XR was
24 exactly the same as it was for IR and
25 frankly for all the new products that

24

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2 go into this. But we started several
3 years ago with a plan to introduce Namenda
4 XR and we contemplated a fixed dose
5 combination of Namenda and Aricept. And
6 so we're -- like in other categories that
7 we're in, we're making an investment in
8 Alzheimer's disease. And when we develop
9 these new products, we want them to be
10 added to formulary so that patients can
11 access them. And the system favors the
12 health plans, at least in my view, and you
13 start where they start and we have a
14 normal business negotiation and that's
15 why.

16 Q. Forest makes IR and Forest makes
17 XR; right?

18 MR. TOTO: I object to form.

19 A. That's -- we manufacture both
20 products, that's correct.

21 Q. And when I use Forest, I am
22 using it interchangeably now with Actavis
23 for purposes of this deposition.

24 Do we understand that?

25 A. I understand that, yes.

23

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2 we've launched over the years.

3 Q. Did you give a higher discount
4 on XR than you did on IR to the plans?

5 A. In some cases, yes. The average
6 selling price for Namenda XR is at a
7 [REDACTED] percent discount to Namenda IR.

8 Q. Why did the health plans demand
9 such a huge discount?

10 MR. TOTO: I object to form.

11 Go ahead.

12 Q. Why did the health plans demand
13 a discount of that size?

14 A. They demand a discount today for
15 every product and they have a great deal
16 of leverage. If you know anything about
17 the system, there's a great deal of
18 pressure on all parties in healthcare and
19 so they negotiated for a very steep
20 discount.

21 Q. What motivated Forest to agree
22 to give health plans a steeper discount on
23 XR than IR?

24 MR. TOTO: I object to form.

25 A. There are a lot of factors that

25

1 W. Meury -- HIGHLY CONFIDENTIAL
2 Q. Okay.

3 Why did Forest want to promote
4 XR over IR?

5 MR. TOTO: I object to form.

6 Assumes facts. Lacks foundation.

7 A. Yeah, I think there are -- there
8 are several reasons that we focused on XR
9 over IR.

10 The first and most obvious one
11 is it's a better product. When you think
12 about BID versus QD or once a day over
13 twice a day, when you think about the fact
14 that we're able to demonstrate the effects
15 of the drug cognition and function with
16 multiple medications for Alzheimer's
17 disease is not just Aricept or when you
18 think about the administration option of
19 opening the contents of the capsule for
20 those that are -- have difficulty
21 swallowing, it was simply a better
22 product.

23 The other reason that we wanted
24 to focus on XR is if we had both products
25 on the market, physicians, pharmacists,

7 (Pages 22 to 25)

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